



September 2, 2020

The Honorable Joel Szabat
Acting Under Secretary
Transportation Policy
U.S. Department of Transportation
1200 New Jersey Ave., S.E.
Washington, DC 20590

Re: Request for an Extension to the Department's Order Granting Temporary Waivers (OST-2020-0035)

Dear Mr. Szabat:

Airlines for America ("A4A"), on behalf of its Members,¹ respectfully requests that the U.S. Department of Transportation ("Department") extend its March 27, 2020 Order Granting Temporary Waivers ("March Order")² through the IATA winter 2020-2021 season until March 27, 2021. An extension is necessary and justified because international flight operations remain reduced at unprecedented levels during the on-going COVID-19 pandemic. An extension is in the public interest for the same reasons for which the Department granted the temporary waivers in the March Order, as well as new developments in the global response to the COVID-19 pandemic.

The Department's March Order granted all U.S. carriers holding limited-entry international route authority with waivers of the startup and dormancy conditions applicable to their authorities through October 24, 2020, subject to certain conditions, based upon the Department's belief that, in the COVID-19 pandemic environment, carriers should not be obligated to reach decisions on restoring reduced operations to avoid the "use-it-or-lose-it" constraints associated with a startup or dormancy condition of such services.³ In fact, the March Order recognizes that "it is in the public interest to afford carriers flexibility to begin or resume their international services *as market conditions warrant*, without risk that they will lose their route or frequency awards for nonuse."⁴

¹ See 14 C.F.R. 302.10(c). A4A's members are: Alaska Air Group, Inc.; American Airlines Group, Inc.; Atlas Air Worldwide Holdings, Inc.; Delta Air Lines, Inc.; FedEx Corp.; Hawaiian Airlines; JetBlue Airways Corp.; Southwest Airlines Co.; United Airlines Holdings, Inc.; and United Parcel Service Co. Air Canada is an associate member.

² DOT, Order Granting Temporary Waivers (March 27, 2020) (Docket OST-2020-0035).

³ See *id.* at 1.

⁴ *Id.*

Since the March Order, international traffic has been and remains extraordinarily depressed, and operating conditions have not improved. For the week ending August 23, 2020, A4A Members carried 87% fewer passengers internationally year-over-year and operated 75% fewer flights year-over-year. In line with these reductions, approximately 29% of the U.S. airlines' fleet is inactive. Airlines do not foresee significant international passenger growth before expiration of the existing March Order on October 24, 2020 or during the winter 2020-2021 season.⁵

Furthermore, the COVID-19 pandemic continues to have a significant impact on airline operations and air travel, including in many foreign jurisdictions (e.g., China, Cuba, Bahamas, Ecuador, and South Africa) that have imposed restrictions that limit or impede, in part or in total, our Member's ability to operate limited-entry frequencies. Foreign and U.S. Government entry restrictions on certain nationalities suppress demand and prevent our Members from being able to operate their limited-entry frequencies. For example, Japan does not allow U.S. nationals to enter its country with few exceptions and, therefore, our Members have been unable to start or continue operations for their Haneda slot allocations with any duration.

Furthermore, countries have imposed COVID-19 health regulations, which are inconsistent, complex, and challenging for travelers, including over-burdensome and sometimes repetitive health procedures. A person who is authorized to travel must accept some or all of the following conditions to travel to the countries listed in the March Order:

- Obtain a negative COVID-19 test result within a limited number of days prior to departure, which is a challenge given the complexities of U.S. testing infrastructure, the type of tests available in the United States, and lengthy response times for test results;
- Be subject to COVID-19 testing upon arrival;
- Be subject to an employer's health maintenance program;
- Quarantine at the destination for up to 14 days, at the traveler's expense;
- Uncertainty in a foreign jurisdiction's medical and hospital system, if the traveler tests positive upon arrival;
- Participate in health management tracking up to 14 days prior to departure and/or consent to health declarations as conditions of entry; and
- Undergo multiple temperature screens during travel.

The practical impact of such conditions is travelers' reduced ability and/or willingness to travel to international destinations, further depressing demand. All of these impediments taken together underpin the need for an extension to the March Order

⁵ For the week ending August 23, 2020, total tickets issued by U.S. travel agencies are reduced 75% year-over-year.

because these rules make it economically challenging, if not impossible, to operate all limited-entry route rights in question. We anticipate these health regulations will continue for a portion or all of the winter season.

In sum, the market conditions on which the Department based its March Order remain, or have worsened, and are expected to continue well-beyond October.

Concurrently, like the Department, we recognize the importance of airline competition, particularly in restricted markets. To that end, we support the Department applying the same conditions in the March Order to an extension through the winter 2020-2021 season⁶.

We also submit that a blanket waiver would reduce the burdens on our Members, which already have their limited resources stretched to the breaking point during the COVID-19 pandemic, as well as the Department. Specifically, an extension would avoid the need for airlines to submit waiver requests for individual authorities and the Department's adjudication of many requests with the same basis and public interest.

We thank you for the consideration of our request and respectfully submit that an extension of the March Order would serve the public interest, is necessary for the recovery of the U.S. airline industry, and is justified by the ongoing market conditions resulting from COVID-19.

If you have any questions, please contact Keith Glatz at kglatz@airlines.org.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Keith Glatz', with a large, sweeping flourish extending from the end of the signature.

Keith Glatz
Vice President, International Affairs
AIRLINES FOR AMERICA

⁶ This request is in addition to American's request filed on July 1 in Dockets DOT-OST-2016-0076, DOT-OST-2010-0245, DOT-OST-2014-0169, and DOT-OST-2020-0035 that was granted by NOAT issued August 5, 2020, which should remain in place.